UNITED
NATIONS

E

Economic and Social Council

Distr.
LIMITED

E/ICEF/1996/AB/L.6
26 February 1996

ORIGINAL: ENGLISH

FOR INFORMATION

UNITED NATIONS CHILDREN'S FUND
Executive Board
Second regular session 1996
9-12 April 1996
Item 6 of the provisional agenda*

PROGRESS REPORT ON THE MANAGEMENT EXCELLENCE PROGRAMME IN UNICEF

SUMMARY

The present report responds to Executive Board decision 1995/25 (E/ICEF/1995/9/Rev.1) in which the secretariat was requested to provide the Board with regular updates on progress made on management excellence in UNICEF.

Chapter I describes progress made since the first regular session of 1996 of the Executive Board, including feedback from the last meeting of the Management Excellence Steering Committee; initiatives taken towards management excellence; and external consultancies on supply, information resources management and financial management. It also summarizes briefly the type of findings and recommendations that are emerging from the project teams not yet reviewed by the Steering Committee. Chapter II reports on staff participation, while consultation with the Executive Board is presented in chapter III. The next steps to be taken by the secretariat are contained in chapter IV. UNICEF Guiding Principles for Staff Commitment and Conduct are contained in the annex.

* E/ICEF/1996/9.

CONTENTS

		Paragraphs	Page
I.	UPDATE ON PROGRESS	1 - 40	3
	A. Feedback from the last meeting of the Management Excellence Steering Committee	3 - 16	3
	B. Initiatives taken towards management excellence	17 - 25	6
	C. External consultancies on supply, information resources management and financial management	26 - 28	7
	D. Management excellence projects	29 - 40	8
II.	STAFF PARTICIPATION	41 - 46	10
III.	CONSULTATION WITH THE EXECUTIVE BOARD	47 - 49	11
IV.	NEXT STEPS	50 - 53	12
	A. Consultation on initial proposals	50 - 51	12
	B. Management Excellence Steering Committee	52	12
	C. Process for moving forward	53	12
Annex.	UNICEF GUIDING PRINCIPLES FOR STAFF COMMITMENT AND CONDUCT		13

I. UPDATE ON PROGRESS

1. Since the first regular session of 1996 of the Executive Board (22-25 January) at which the first ever UNICEF Mission Statement was adopted (see E/ICEF/1996/12 (Part I), decision 1996/1), the Management Steering Committee has approved Guiding Principles for Staff Commitment and Conduct (see the annex) as developed by the Global Advisory Council. Both the Mission Statement and the Guiding Principles have been disseminated throughout UNICEF, and posters of the Mission Statement are being produced for display in all UNICEF offices and National Committees.

2. The Division of Information has distributed the Mission Statement to UNICEF partners in United Nations, governmental and non-governmental circles. The Mission Statement has been posted in the six official United Nations languages on the UNICEF World Wide Web homepage on the Internet and will be featured in upcoming publications such as "First Call for Children", The UNICEF Annual Report and "UNICEF At A Glance". Together, the UNICEF Mission Statement and the Guiding Principles underpin the activities being undertaken within the framework of the management excellence programme.

A. Feedback from the last meeting of the Management Excellence Steering Committee

Guiding Principles for Staff Commitment and Conduct

3. The Guiding Principles approved by the Steering Committee are based entirely on the results of the survey conducted by the Global Advisory Council. Fifty per cent of staff responded to the survey questionnaire, confirming the desire to transform the UNICEF workplace into one where these principles are alive and applied in relationships among staff and with partners. The Global Advisory Council has launched the Guiding Principles within UNICEF and is working with regional advisory councils, staff associations and heads of offices to find ways of integrating these principles in daily work practices. The Global Advisory Council and the Division of Human Resources are working together to ensure that the human resources strategy for the future supports the application of the Guiding Principles.

4. The Steering Committee also discussed the draft proposals of the project teams working on a structure of accountability in UNICEF and reviewed the progress of teams looking at relations with National Committees, the United Nations system, and intergovernmental and non-governmental organizations; and the communication strategy and structure.

Structure of Accountability

5. Among the preliminary recommendations on structure are proposals for the decentralization of functions and decision-making in UNICEF; the redefinition of roles of headquarters, regional and country offices and the Geneva Office; proposals on various types of UNICEF presence in countries at different stages of development; the importance of behavioural change as a prerequisite for organizational transformation, based on an open and participatory management culture; and maximizing the potential of electronic connectivity throughout UNICEF for improved efficiency and effectiveness.

6. The Executive Director appointed a small working group to review the proposals on structure, based on the discussions in the Steering Committee, and to test the validity of the initial proposals, especially with regard to their potential for improving oversight and accountability, ensuring decentralization, clarifying the role of regional offices and the Geneva Office, and fostering teamwork as a strategy for greater effectiveness.

7. In developing their proposals, the Structure of Accountability Phase I Project Team agreed on a set of principles that they considered specifically relevant to accountability in UNICEF, and which guided their efforts to design a new macro-structure for UNICEF. These principles are as follows: (a) structures should be close to the children and women who are the primary concern of UNICEF and should uphold the centrality of the country approach; (b) they should be decentralized and should focus on strengthening country capacity; (c) UNICEF should function as a learning organization that assimilates both internal and external lessons and experience; (d) it should practice participatory management based on principles of equity, inclusiveness and feedback to create a work environment that is based on responsibility and accountability, with an emphasis on teamwork and respect for the dignity and worth of each women and man in UNICEF; (e) in all aspects of UNICEF work, value for money and the comparative advantage of UNICEF in producing results for children should be major criteria for decision-making; and (f) constant attention should be paid to transparency in all transactions.

8. Proposals made by the Structure of Accountability Phase I team focused on promoting greater self-reliance of country offices, based on the principle that the country approach is the central strength of UNICEF. The role of the regional office would be to support the country office, with regional heads acting as team leaders and supervisors of representatives. The team recommended that headquarters should focus on policy development, representation at the international level within the United Nations system and with other global partners, oversight and management support, external relations and support to countries in complex emergencies.

9. The Steering Committee expressed general support for the overall direction of the proposals, particularly strengthening the country focus of UNICEF work, but there was considerable debate on the nature of changes proposed for country, regional and headquarters levels. An important observation was that headquarters should retain sufficient contact with activities at the country level to avoid the risk of becoming isolated from activities that are the declared strength of UNICEF - the country programmes. Electronic connectivity throughout UNICEF was seen as essential in the future for effective exchange of information for decision-making at all levels.

Relations with National Committees

10. The team examining relations with National Committees proposed that the Committees be understood to be the UNICEF presence in industrialized countries and that UNICEF relations with National Committees should be managed regionally rather than by a central structure for National Committees.

11. The team posed three key questions at the outset of its work: (a) what will the world expect of UNICEF in the next 15-20 years; (b) what changes are necessary in the relationship between National Committees and UNICEF to enable National Committees to become optimally effective; and (c) what is the resource mobilization potential and how can it best be realized.

12. The team developed preliminary recommendations based on the premise that National Committees should be considered as part of the UNICEF system, not external to it, since they are the UNICEF "front-line presence" in industrialized countries. The team also agreed that in the future, UNICEF should work towards decentralization within strategies that are regionally appropriate. The team also has put forward the idea that in the future, UNICEF should be organized around the principle of working in teams for greater flexibility and effectiveness.

13. These initial recommendations imply that there would need to be better coordination, management and cooperation with National Committees through policy dialogue, work planning and assessments against key performance indicators, with regional teams representing the interests of National Committees within UNICEF. Performance indicators would be worked out between UNICEF and National Committees. Committees also would become involved systematically in advocacy for children in their countries within a policy framework agreed to with the Executive Board and funded with resources from the National Committees retention funds.

14. This project team will continue to consult with stakeholders such as National Committees and the Executive Board on these initial proposals prior to finalizing their recommendations.

Relations with the United Nations System and Intergovernmental and Non-governmental Organizations

15. The team examining UNICEF relations with the United Nations system and intergovernmental and non-governmental organizations found that the impact of proposals for United Nations reform, reductions in financial contributions from traditional sources and the increased influence of non-governmental organizations (NGOs) require UNICEF to have clearer policies for working with partners and to strengthen institutional capacities to undertake in-depth analyses of the opportunities resulting from the changing political and economic situations around the world. Additional challenges include the need to strengthen the functional groups in UNICEF responsible for United Nations affairs and organizational alliances; to establish clearer guidelines on responsibility at the headquarters level for maintaining dialogue with Governments; to develop selection and assessment procedures for NGO partners; and to ensure more strategic decision-making in partnership-building.

16. The Steering Committee asked this team to do further work to refine and reorganize its proposals for greater scope and clarity. The Executive Director suggested that a revised set of proposals be shared with the working group on structure so that issues to be addressed in looking for more effective ways of working with intergovernmental, non-governmental and United Nations partners can be incorporated.

B. Initiatives taken towards management excellence

17. In December 1995, the Executive Director wrote to the heads of all UNICEF country offices and work units at headquarters, encouraging them to give importance to their leadership roles in initiating local-level efforts to review and improve the performance of their own offices.

18. The letter from the Executive Director placed special emphasis on effective human resources management, a capacity that every head of office or section chief must develop. During 1996, senior staff are being encouraged to complete two short courses on strengthening leadership and people-centred management in UNICEF being offered by the Training and Staff Development Section. All executive staff and division directors at headquarters are expected to take this course during March 1996.

19. Several offices have reported on activities being undertaken to improve staff collaboration for greater effectiveness and cost-efficiency, including special attention to improving inter-office communication, redesigning work processes, ensuring that audit recommendations are implemented, improving work planning, ensuring that personnel policies are applied in a fair and consistent manner, and creating opportunities for staff to learn and grow.

20. Office improvement plans are being developed by a number of flagship country offices as part of a self-initiated process for management excellence. Issues being addressed specifically include the actualization of the Guiding Principles, linking human resources issues to broader programme and operations management, examining work processes and team assessment. Lessons learned from these flagship countries will contribute to the development of the new human resources strategy for UNICEF. These country offices include Brazil, Colombia, Cuba, Ecuador, Guinea, Indonesia, Iraq, Jordan, Mexico, Morocco, the Philippines, Tunisia, Turkey, Viet Nam, Yemen and Zaire.

21. At headquarters, the Planning and Coordination Office, the Office of Social Policy and Economic Analysis and the Evaluation and Research Office took their own initiative to join forces by forming one unit and streamlining their operations in order to strengthen the process of policy analysis, planning and evaluation in UNICEF. Each office was established initially to carry out a specific strategic planning function. However, it was felt that developments over the past 10 years now require a more cross-functional approach. Assuming that the Executive Board approves the proposal to merge these units, immediate economies of scale, enhanced organizational capacity for strategic planning and policy development, and greater effectiveness for UNICEF as a whole are expected.

22. The integrated unit will provide leadership in monitoring and evaluation and also will ensure the strategic use of data, programme improvements based on lessons learned and economic and costing expertise for planning and policy development purposes.

23. Efforts also have been made to reorganize various existing units at headquarters dealing with issues linked to the Convention on the Rights of the Child to ensure a more effective response to requests from country offices for

technical assistance so that they can respond to the challenges of virtual universal ratification of the Convention on the Rights of the Child. Increasingly, countries are turning to agencies such as UNICEF for help in developing appropriate responses to the Convention by transforming principles of children's rights into policies, programmes and legislative measures to protect children and improve their life prospects. Many Government partners are attaching importance to ensuring that the UNICEF country programmes of cooperation are linked to helping them ensure that the observations of the Committee on the Rights of the Child on the health, education and general well-being of their children are addressed through appropriate programmatic responses at the country level.

24. In order to provide leadership and to support country offices in their efforts to help countries apply the principles of the Convention, the Special Adviser on Child Rights will lead a multidisciplinary team at headquarters bringing together staff in the Policy Planning and Evaluation Office, Programme Division, the Office of United Nations Affairs, the Division of Information and the existing Child Rights Section to respond more adequately to the 1991 Executive Board decision on the role of UNICEF in the implementation of the Convention (E/ICEF/1991/15, decision 1991/9).

25. Other changes at headquarters include the transfer of responsibility for producing The Progress of Nations, Facts for Life and programme publications to the Division of Information so that all major publications units are now within one division. The Office of the Secretary of the Executive Board and that of United Nations Affairs are now within the external relations area reporting to the Deputy Executive Director, External Relations. The first integrated budget for headquarters and regional offices has been completed and is being presented to the Executive Board at the present session (see E/ICEF/1996/AB/L.6). For the first time, the headquarters and regional office budgets will include programme support expenses formerly charged to global funds in one consolidated budget. This responds to a recommendation in the management study and will help meet the concerns over transparency in budget presentations raised at previous Executive Board sessions.

C. External consultancies on supply, information resources management and financial management

26. As reported in last progress report (E/ICEF/1996/AB/L.3), recommendations from the supply study are due in April 1996, followed by a second study on inventory management systems. The financial systems study began in January and is estimated to be finalized in June 1996. The consulting firm of KPMG/Peat Marwick, which is doing the study, has begun the process of finding a replacement for the outdated financial computer systems of UNICEF and also will be recommending immediate changes to basic business processes so that they become easier and more efficient.

27. The information technology study delivered its recommendations in January 1996 and was followed by staff consultations. The study found that UNICEF is not positioned well to leverage electronic communications in a strategic way, nor to access, share or deliver information. The study provides recommendations in three areas: managing information as a product; establishing

global connectivity; and transforming the information technology function so that it plays a strategic role.

28. Studies on data centre disaster recovery and wide area networks, as well as a study on profitability of greeting card and product sales, are scheduled for early 1996.

D. Management excellence projects

29. As the management excellence process moves forward, individual project team proposals will be integrated to form an overall plan for reorganization. Below is a brief summary of the type of findings and recommendations that are emerging from project teams not yet reviewed by the Steering Committee.

Human Resources Strategy

30. The Human Resources Strategy Team, which met in Hammamet, Tunisia, from 18 to 21 December 1995, is developing a framework for human resources management based on an ongoing process of consultation and action with some 15 country offices from all regions. There are five important principles that guide the process: (a) building country office capabilities for human resources management is a major priority; (b) the human resources strategy should be co-created through discussion with stakeholders; (c) as there is no quick fix to changing competencies and processes, the strategy should evolve through action and learning; (d) the strategy should respect the diversity of UNICEF field operations and avoid imposing a singular prescription for change; and (e) being open to new ideas from inside and outside.

31. The team has articulated a vision of future human resources management which (a) embraces the Guiding Principles from the Conducts and Commitments Team; (b) integrates human resources concerns in all aspects of policy development and strategic planning; (c) foresees human resources leadership competencies existing organization-wide; (d) provides standards for quality human resources management; (e) identifies human resources leadership competencies required for UNICEF; and (f) suggests a process for team self-assessment of human resources procedures. This mix of actions, combined with policy refinements and changes, are expected to close the gap between where human resources leadership and management is now in UNICEF and where it should be.

32. Improvements or "small wins" in human resources are being reported by participating country offices in the following areas: staff meetings on human resources are being held, with some offices establishing task groups; office improvement plans are being developed to address problems identified in human resources process reviews; work process management tools are being used; there are experiments with assessments of senior managers, including the representative; there is increased networking and office-to-office support; and there is increased linking of training and staff development to action and improvement. As a result of the above listed actions, there is evidence of higher levels of motivation and improved relationships as staff members feel that their contribution matters.

33. The team also has reviewed the issue of support for country offices and divisions in heading towards the desired future. This has included a process to transform the existing Division of Personnel at headquarters into a more broad-based function with the competencies required to support offices with work process improvement, competency development and new ways of working, such as cross-functional teamwork.

34. By May 1996, the Human Resources Strategy Team will link the substance of its work with the Staff Deployment Team to include recommendations related to how to attract, develop, reward and keep people with the competencies needed to carry out the UNICEF mission.

Staff Deployment

35. The Staff Deployment Team prepared a first draft of its report in mid-December 1995, which was shared with the Human Resources Strategy Team at its December meeting. The work of the two teams is closely connected since the human resources strategy will provide the framework for the formulation of new staff deployment policies and procedures.

36. Exchanges between the two teams confirm that their thinking is well aligned and their work is continuing in tandem. The preliminary conclusions of both imply the upgrading of human resources management skills throughout UNICEF so that it becomes a shared responsibility. Appropriate regional and field-level structures would need to be created to monitor the implementation of human resources policy and procedures. The full report of the two teams work will be distributed to all offices and advisory councils in early March 1996.

Effective Field Management

37. The Effective Field Management Team was due to begin its work after the Structure of Accountability Phase I had completed its work. Thus, the team held its first meeting in Nairobi from 5 to 9 February 1996. During the meeting, the team reviewed draft papers which they had prepared on management indicators; assessment systems for senior managers; managing operations functions better in field offices; and strengthening operations in emergencies. These papers will be revised and circulated widely for feedback in the coming months.

38. The one area where action is well under way is Programme Manager System (PROMS). A PROMS progress report, including an overview of how it will work, was sent to all offices in February 1996. A meeting will be held in March whereby several key regional office staff will help to develop a "roll-out" plan to integrate PROMS into the organization, including introducing PROMS into one office per region at the end of 1996 which can then serve as a training centre for other offices.

Communication

39. The Communication Project Team met the week of 5 February 1996 to begin drafting initial recommendations. Emphasis was placed on refining the framework for a global communication policy and the development of strategic objectives based on external/internal trends, opportunities and challenges. Deliberations

also focused on human resources needs (expertise, qualifications, etc.) that would be required to implement the future policy.

40. As a result of staff reactions to the team's earlier consultations on a communication structure, team members felt the need to identify and clarify communication functions designated to country, region and headquarters levels, with an emphasis being placed on the decentralization of tasks and responsibilities to the lowest feasible level. It was envisaged that these functions would then serve as a basis for the design of a headquarters communication structure. Given the magnitude and complexity of the communication functions within UNICEF, team members also felt that cost-effectiveness issues and the delineation of clear lines of accountability between regional offices and headquarters still need to be addressed. As such, the Communication Team has recommended that a Phase II project team be formed to continue developing the recommendation for a UNICEF communication strategy and structure, including cost-effectiveness issues, and to work closely with the Phase II Structure of Accountability Team.

II. STAFF PARTICIPATION

41. Since the last progress report, project teams have continued to carry out consultations with UNICEF staff on initial proposals being developed through the advisory councils, representatives' meetings, country case studies, meetings with National Committees, inter-sessional meetings with the Executive Board, panel discussions, etc.

42. Information on the management excellence programme continues to be made available through NEWSFLASH; presentations by project teams, advisory council members and the Management Task Force; and electronic mail and the World Wide Web. In addition, newsletter-type updates have been prepared to supplement information circulated to UNICEF staff and National Committees via NEWSFLASH to provide information on progress and next steps.

43. The first regional advisory council meeting in 1996 has been the Eastern and Southern Africa Regional Advisory Council meeting in Harare, from 15 to 17 January to review country-level participation in management excellence, discuss and prepare inputs for various project teams, and begin developing an African perspective on the management excellence programme. Substantive discussions took place on the work of the management excellence process project teams and a series of specific recommendations were made related to structure of accountability, effective field management, human resources and staff deployment and relations with Governments, the United Nations system, NGOs and intergovernmental organizations. The Council acknowledged that their earlier recommendations to the Structure of Accountability Team had been taken into account and incorporated in the most recent update of the work of that team.

44. The Eastern and Southern Africa Regional Advisory Council developed key elements of a possible African perspective on management excellence programme which would call for a regionally-differentiated approach to the design and implementation of management reform. Such a strategy should emphasize the following: Africa as an explicit priority for the United Nations and UNICEF;

weak African representation in UNICEF at management levels; country programme goals based on African priorities; special attention to emergencies; gender discrimination; AIDS/malaria; weak capacities and communication infrastructures; and culturally appropriate management concepts. The Eastern and Southern Africa Regional Advisory Council will continue to develop this African perspective for a regionally-specific approach to management excellence.

45. The Headquarters Advisory Council held another panel discussion on 13 February 1996 for all New York staff in an effort to keep staff up-to-date on recent developments in the management excellence programme. The discussion focused on the results of the January Steering Committee meeting, the Guiding Principles for Commitment and Conduct and plans for translating the principles into practice organization-wide, the Human Resources Strategy and Staff Deployment Project Teams and the Effective Field Management Team. Executive Board members also were invited to the panel discussion in order to provide an opportunity to see first-hand what is being done to further management excellence.

46. The Management Task Force will continue to make staff participation and consultation a priority into the next phases of the management excellence process.

III. CONSULTATION WITH THE EXECUTIVE BOARD

47. Since the launch of the management excellence programme in 1995, the mechanisms established for regular reporting and consultation with the Executive Board have provided opportunities for essential dialogue with Board members. The need to report on progress at each session of the Board has had the added benefit for the secretariat of creating the framework for periodic reviews and assessments of the entire programme.

48. Following the first regular Executive Board session of 1996, an inter-sessional meeting is scheduled for 1 March to provide an opportunity for the representatives of the teams whose work is most advanced to brief Board members on their evolving recommendations. This briefing also will be an occasion for a representative of the Global Council on Management Excellence to present the Guiding Principles for Staff Commitment and Conduct and to explain the participatory process used to develop them.

49. Several Board members also accepted the invitation to attend the briefing for staff organized by the Headquarters Advisory Council on 13 February 1996. Presentations were made on progress in developing the structure of accountability for UNICEF, and feedback was given by the teams dealing with human resources strategy, staff deployment and field management. This process of regular and open dialogue with the Executive Board will continue to be an essential element of the management excellence programme as it moves from planning to implementation. The next inter-sessional meeting is planned for 29 May 1996 following the present session.

IV. NEXT STEPS

A. Consultation on initial proposals

50. The Management Task Force will send a package to all UNICEF offices containing proposals on the macro-structure of UNICEF, including recommendations from teams working on relations with National Committees, the United Nations system, intergovernmental organizations and NGOs; communication; human resources strategy; and a new system for staff deployment.

51. Regional advisory councils, working with regional offices, will be asked to organize focus-group discussions involving a cross-section of UNICEF staff so that the proposals can be discussed thoroughly, with relevant team members participating as resource people. Although every office will be asked to review the proposals and give feedback, regional discussions are being organized to ensure timely feedback based on comprehensive discussions. Organization-wide consultation focused specifically on the human resources strategy and recommendations for new staff deployment system will take place in April-May 1996.

B. Management Excellence Steering Committee

52. The next Steering Committee meeting will take place immediately following the present Executive Board session to review progress on implementation of the Guiding Principles and the results of the working group on macro-structure, including recommendations on relations with National Committees, intergovernmental organizations, NGOs and communication.

C. Process for moving forward

53. As project team recommendations become finalized, information on action taken and results achieved, specifying decisions to be made by the Executive Board and/or the secretariat, will be provided through progress reports on management excellence. As requested, efforts will be made to integrate recommendations emerging from the project teams and external consultancies into one integrated plan.

Annex

UNICEF GUIDING PRINCIPLES FOR STAFF COMMITMENT AND CONDUCT

Inspired by the ideals enshrined in the United Nations Charter, the Universal Declaration of Human Rights, the Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Rights of the Child,

We, the staff of the United Nations Children's Fund, commit ourselves to the following fundamental principles and professional standards, and agree to be individually and collectively accountable for applying them in our everyday work and actions:

Our first commitment is to act in the best interests of children.

We believe we must demonstrate integrity, truthfulness and honesty in all our actions. We pledge to make responsible use of UNICEF resources, knowing we are entrusted as custodians to safeguard them and use them wisely.

We respect the dignity and worth of every individual and will do our utmost to promote and practice understanding and tolerance to foster respect for diversity, be it of gender, religion, culture, creed or race.

We will foster a climate of impartiality, fairness and objectivity and assure the equitable application of UNICEF regulations, rules and policies. We will create a work environment that is sensitive to the needs of all staff.

Those of us privileged to hold positions of authority have a greater obligation to set the highest professional standards and to uphold them by personal example. At every level we aspire to optimal achievement, and value the contribution of every staff member.

We acknowledge the importance of sound judgement, initiative and leadership and will pursue and recognize excellence and productivity.

We are willing to listen to different opinions and willing to learn and grow to contribute our individual best to UNICEF.

We will facilitate participation and promote teamwork within UNICEF and extend that same spirit of collaboration to all our external partners, realizing that only through effective communication and cooperation can we best fulfil our mission.

We affirm our loyalty to the United Nations Organization and promise to place the interests of the international organization above our own. As international civil servants, we are proud to share the broad vision of the Organization and will work indefatigably for the realization of its goals.

Note: UNICEF Guiding Principles complement the United Nations Report on Standards of Conduct in the International Civil Service 1954 (COORD/CIVIL SERVICE/5, 1986 Edition) which we affirm as the foundation for our conduct.